

Port of Port Townsend  
 Summary Operations & Non-Operating Activity Budget  
 2017 Budget with Comparison to Prior Years

**3rd Draft Budget -10-24-16**

	2014 Actual	2015 Actual	2016 Budget	2017 Budget
<b>REVENUES</b>				
Marinas and RV Parks	2,101,147	2,250,653	2,349,903	2,660,000
Yard Operations	1,587,241	1,572,877	1,688,076	1,855,000
Property Leases & Use	1,041,536	1,061,642	1,114,278	1,215,000
Fuel Sales & Leases	50,047	44,539	51,900	50,000
Ramp Use	32,308	35,240	55,249	55,000
Utilities	153,885	164,195	158,200	140,000
<b>Total Operating Revenues</b>	<b>4,966,164</b>	<b>5,129,147</b>	<b>5,417,606</b>	<b>5,975,000</b>
<b>OPERATING EXPENSES</b>				
Personnel	2,373,771	2,471,235	2,778,613	3,006,270
Outside Services	394,881	349,778	282,910	443,310
Facilities & Operations	846,009	697,888	751,064	805,809
Utilities	532,241	473,673	530,347	554,180
Marketing	43,467	35,152	53,050	54,450
Economic Development	25,000	25,000	25,000	40,000
Travel & Training	27,025	33,466	25,100	30,000
Cost of Goods - Fuel	24,055	18,060	20,000	12,000
Community Relations	6,959	1,374	4,000	4,000
<b>Total Operating Expenses</b>	<b>4,273,408</b>	<b>4,105,625</b>	<b>4,470,084</b>	<b>4,950,019</b>
<b>Income from Operations w/o Depreciation</b>	<b>692,756</b>	<b>1,023,522</b>	<b>947,522</b>	<b>1,024,981</b>
<b>Depreciation Expense</b>	<b>1,487,232</b>	<b>1,527,500</b>	<b>1,548,147</b>	<b>1,519,032</b>
<b>Income (Loss) from Operations with Depreciation</b>	<b>(794,475)</b>	<b>(503,978)</b>	<b>(600,625)</b>	<b>(494,051)</b>
<b>Non-Operating Revenue</b>				
Capital Contributions/Grants	275,220	226,355	223,740	168,750
Interest	11,357	3,327	4,200	38,000
Property & other taxes	990,006	1,033,149	1,019,000	1,020,000
Miscellaneous Non-Operating Revenue	79,260	38,047	14,000	16,200
<b>Total Non-Operating Revenues</b>	<b>1,355,844</b>	<b>1,300,878</b>	<b>1,260,940</b>	<b>1,242,950</b>
<b>Non-Operating Expenses</b>				
Bond Interest	510,297	398,506	398,273	369,339
Bond Mgmt, Issuance, Investment	1,655	72,703	2,200	154,940
Election Expense	-	6,398	-	17,340
<b>Total Non-Operating Expenses</b>	<b>511,952</b>	<b>477,608</b>	<b>400,473</b>	<b>541,619</b>
<b>Net Non-Operating Income(Expense)</b>	<b>843,892</b>	<b>823,270</b>	<b>860,467</b>	<b>701,332</b>
<b>Net Income (Loss)</b>	<b>49,416</b>	<b>319,292</b>	<b>259,842</b>	<b>207,281</b>

PORT OF PORT TOWNSEND -- CAPITAL BUDGET 2017-2020	2017	2018	2019	2020	UnReserved Cash	Boat Haven RESERVES	GRANTS	GO BOND	Revenue BOND	Total
	2017	2018	2019	2020						
<b>Boat Haven Stormwater Improvements (Includes lift station)</b>										
Assessment, design, permitting, administration	\$60,000								\$60,000	\$60,000
Construction	\$1,000,000								\$1,000,000	\$1,000,000
<b>Point Hudson Jetty South</b>										
Engineering, design, permitting, administration	\$50,000					\$50,000				\$50,000
Construction		\$1,533,500	\$1,533,500				\$1,908,000			\$3,017,000
<b>Point Hudson Jetty North</b>										
Engineering, design, permitting, administration			\$50,000	\$50,000					\$100,000	\$100,000
Construction				\$2,153,000					\$2,153,000	\$2,153,000
<b>Jefferson County International Airport Runway</b>										
Engineering, Permitting, Administration					\$6,250		\$118,750			\$125,000
Construction		\$2,000,000			\$100,000		\$1,900,000			\$2,000,000
<b>Boat Haven Shoreline Stabilization</b>										
Engineering, Permitting, Administration	\$25,000				\$25,000					\$25,000
Construction		\$300,000				\$300,000				\$300,000
<b>Boat Haven Bathroom Renovation</b>										
Engineering, Permitting, Administration	\$4,000									\$4,000
Construction	\$110,000					\$110,000				\$110,000
<b>Point Hudson Administration Building - Ventilation</b>										
Construction	\$110,000				\$110,000					\$110,000
<b>Commercial Basin Bathroom Renovation</b>										
Construction	\$36,000					\$36,000				\$36,000
<b>Point Hudson Asbestos Remediation</b>										
Construction		\$93,000			\$93,000					\$93,000
<b>Boat Haven Electrical Remote Sub-Meters - Pilot</b>										
Pilot Testing	\$20,000				\$20,000					\$20,000
<b>Boat Haven Water Sub-Meters</b>										
Construction	\$65,000								\$65,000	\$65,000
<b>Parking Improvements &amp; Pay Stations</b>										
Construction & Installation	\$63,000				\$63,000					\$63,000
<b>Equipment</b>										
	\$23,000				\$23,000					\$23,000
<b>TOTALS</b>	<b>\$1,691,000</b>	<b>\$3,926,500</b>	<b>\$1,583,500</b>	<b>\$2,203,000</b>	<b>\$440,250</b>	<b>\$515,000</b>	<b>\$3,177,750</b>	<b>\$1,908,000</b>	<b>\$3,313,000</b>	<b>\$9,354,000</b>

2017-2022 Capital Projects - by funding source	2017		2018		2019		2020		UnReserved Cash	Boat Haven RESERVES	GRANTS	GO BOND	Revenue BOND	Total
	2017	2018	2019	2020	2018	2019	2020	2020						
<b>UnRESERVED Cash</b>	\$247,250	\$193,000	\$0	\$0	\$0	\$0	\$0	\$0	\$440,250					\$440,250
<b>Boat Haven RESERVES</b>	\$215,000	\$300,000	\$0	\$0	\$0	\$0	\$0	\$0	\$315,000					\$315,000
<b>GRANTS</b>	\$168,750	\$2,454,500	\$554,500	\$0	\$554,500	\$0	\$3,177,750	\$0	\$3,177,750					\$3,177,750
<b>GO BOND</b>	\$0	\$954,000	\$954,000	\$0	\$954,000	\$0	\$1,908,000	\$0	\$1,908,000					\$1,908,000
<b>Revenue BOND</b>	\$1,060,000	\$0	\$50,000	\$2,203,000	\$50,000	\$2,203,000	\$2,203,000	\$2,203,000	\$3,313,000					\$3,313,000
<b>TOTALS</b>	<b>\$1,691,000</b>	<b>\$3,901,500</b>	<b>\$1,558,500</b>	<b>\$2,203,000</b>	<b>\$1,558,500</b>	<b>\$2,203,000</b>	<b>\$2,203,000</b>	<b>\$2,203,000</b>	<b>\$9,354,000</b>	<b>\$515,000</b>	<b>\$3,177,750</b>	<b>\$1,908,000</b>	<b>\$3,313,000</b>	<b>\$9,354,000</b>

Adoption of the Capital Budget is only for 2017. Future year projections of capital budget activity are for planning purposes only and are expected to change over time.

Projected Cashflow for 2017 through 2020

**3rd DRAFT Budgeted Cashflow 10-24-16**

	<b>2017 Budgeted Cashflow</b>	<b>2018 Budgeted Cashflow</b>	<b>2019 Budgeted Cashflow</b>	<b>2020 Budgeted Cashflow</b>
<b>Estimated Beginning Year Cash</b>				
Unreserved Cash	1,744,551	1,840,837	1,891,961	2,595,552
Reserved Cash	977,850	882,850	702,850	822,850
Operating Revenues	5,975,000	6,043,515	6,345,691	6,662,976
Operating Expenses (w/o depreciation)	(4,950,019)	(5,095,407)	(5,261,008)	(5,431,991)
Non-Operating Revenues	1,242,950	3,561,650	1,671,397	1,101,740
Non-Operating Expenses	(541,619)	(499,082)	(463,130)	(423,489)
Debt service - principle	(1,094,026)	(1,192,052)	(914,859)	(960,899)
Issuance of Bond Debt	1,060,000	954,000	1,004,000	2,203,000
Capital expenses (from Grants)	(168,750)	(2,454,500)	(554,500)	-
Capital expenses (from Unreserved Cash)	(247,250)	(193,000)	-	-
Capital expenses (from Bonds)	(1,060,000)	(954,000)	(1,004,000)	(2,203,000)
Capital expenses (from Reserves)	(215,000)	(300,000)	-	-
Increase/(Decrease) in cash	1,286	(128,876)	823,591	948,337
<b>Estimated Year End Cash</b>				
Unreserved Cash	1,840,837	1,891,961	2,595,552	3,423,889
Reserved Cash	882,850	702,850	822,850	942,850
<b>TOTAL</b>	<b>2,723,687</b>	<b>2,594,811</b>	<b>3,418,402</b>	<b>4,366,739</b>

Notes & Assumptions:

1. The Estimated Ending Cash for 2016 was calculated based on the actual 2015 ending cash, the YTD operational results through August 31, 2016 and adjusted for known and budgeted revenues and expenses through the 2016 year end.
2. Operating Revenues budgeted for 2016 were reduced to 95% of budget based on current activity and expected performance through year end.
3. 2017 Operating Revenues were increased from the 2nd Draft figures to reflect the price restructuring that will occur in 2017. The timeframe in which these will be presented will be throughout the year as further analysis is performed and programs are implemented. A nominal increase of \$15,000 was added to the Operating Expenses for additional consulting and project work to be performed by the EDC.
4. Non-Operating Revenues & Expenses are based on 2017 known and anticipated projections (such as property tax levy or debt service interest), with adjustments made in accordance with projections made for the Capital Expenses in the 2017 Capital Budget, such as issuance of new bond debt.
5. Capital Expenses are based on the Capital Budget for 2017 - 2020 and their projected funding sources.
6. Issuance of new Bond debt (both Revenue and GO bonds) are the principle amounts projected from the Capital Budget for 2017.
7. Debt Service principle was estimated on the new debt assuming amortization over a 20 year period at 3% interest with semi-annual payments. Those interest payments were included in the Non-Operating (net) figures for each year.